

## 94TH GENERAL ASSEMBLY State of Illinois 2005 and 2006 SB1460

Introduced 2/23/2005, by Sen. Peter J. Roskam

## SYNOPSIS AS INTRODUCED:

New Act

Creates the Full and Fair Noneconomic Damages Act. Provides that, in determining noneconomic damages, the fact finder may not consider: (i) evidence of a defendant's alleged wrongdoing, misconduct, or guilt; (ii) evidence of the defendant's wealth or financial resources; or (iii) any other evidence that is offered for the purpose of punishing the defendant, rather than offered for a compensatory purpose. Provides for bifurcated trials before the same jury in cases involving punitive damages, if requested by any defendant. Outlines the procedure for the bifurcated trials. Provides for court review of noneconomic damage awards. Effective immediately.

LRB094 06693 LCB 36787 b

1 AN ACT concerning civil law.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 1. Short title. This Act shall may be cited as the Full and Fair Noneconomic Damages Act.
- 6 Section 5. Findings.
  - (a) The purpose of this Act is to ensure that individuals receive full and fair compensatory damages, including damages for pain and suffering.
    - (b) Pain and suffering awards are intended to provide an injured person with compensation for the pain and suffering resulting from the injury at issue in a particular lawsuit.
    - (c) Punitive damages are intended to punish a defendant for wrongful conduct. Punitive damages are subject to certain statutory requirements, must be based on the appropriate evidence, and must be in accordance with the constitutional jurisprudence of the Supreme Court of the United States.
    - (d) Pain and suffering awards are distinct from punitive damages. Pain and suffering awards are intended to compensate a person for his or her loss. They are not intended to punish a defendant for wrongful conduct.
    - (e) For that reason, evidence that juries may consider in awarding pain and suffering damages is different from evidence courts may consider for punitive damages. For example, the amount of a plaintiff's pain and suffering is not relevant to a decision on wrongdoing, and the degree of the defendant's wrongdoing is not relevant to the amount of pain and suffering.
    - (f) The size of noneconomic damage awards, which includes pain and suffering, has increased dramatically in recent years. While pain and suffering awards are inherently subjective, it is believed that this inflation of noneconomic damages is partially due to the improper consideration of evidence of

1 wrongdoing in assessing pain and suffering damages.

- (g) Inflated damage awards create an improper resolution of civil justice claims. The increased and improper costs of litigation and resulting rise in insurance premiums is passed on to the general public through higher prices for products and services.
- (h) Therefore, courts should provide juries with clear instructions about the purpose of pain and suffering damages. Courts should instruct juries that evidence of misconduct is not to be considered in deciding compensation for noneconomic damages. Rather, it is to be considered solely for the purpose of deciding punitive damage awards.
  - (i) In cases in which punitive damages are requested, defendants should have the right to request bifurcation of a trial to ensure that evidence of misconduct is not inappropriately considered by the jury in its determination of liability and compensatory damages.
- (j) As an additional protection, trial and appellate courts should rigorously review pain and suffering awards to ensure that they properly serve compensatory purposes and are not excessive.

## Section 10. Definitions. As used in this Act:

"Noneconomic damages" means damages recoverable in tort actions that are awarded for the purpose of compensating a claimant for physical pain and suffering, mental or emotional pain or anguish, loss of consortium, disfigurement, physical impairment, loss of companionship and society, inconvenience, loss of enjoyment of life, and all other nonpecuniary losses other than exemplary or punitive damages.

"Pain and suffering" means the type of noneconomic damages that cover actual physical pain and suffering that is the proximate result of a physical injury sustained by a person.

"Exemplary damages" means any damages awarded as a penalty or by way of punishment but not for compensatory purposes. Exemplary damages are neither economic nor noneconomic

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- damages. "Exemplary damages" includes punitive damages.
- 2 Section 15. Noneconomic damages; determination.
- 3 (a) In determining noneconomic damages, the fact finder may 4 not consider:
- 5 (1) evidence of a defendant's alleged wrongdoing, 6 misconduct, or guilt;
- 7 (2) evidence of the defendant's wealth or financial resources; or
- 9 (3) any other evidence that is offered for the purpose 10 of punishing the defendant, rather than offered for a 11 compensatory purpose.
- Section 20. Procedure for trial of compensatory and punitive damages.
- 14 (a) All actions tried before a jury involving punitive 15 damages shall, if requested by any defendant, be conducted in a 16 bifurcated trial before the same jury.
  - (b) In the first stage of a bifurcated trial, the jury shall determine liability for compensatory damages and the amount of compensatory damages or nominal damages. Evidence relevant only to the issues of punitive damages shall not be admissible in this stage.
  - (c) Punitive damages may be awarded only if compensatory damages have been awarded in the first stage of the trial. An award of nominal damages cannot support an award of punitive damages.
- 26 (d) In the second stage of a bifurcated trial, the jury 27 shall determine if a defendant is liable for punitive damages.
- 28 Section 25. Review of noneconomic damage awards.
- 29 (a) Upon a post-judgment motion, a trial court shall 30 perform a rigorous analysis of the evidence supporting a 31 noneconomic damages award challenged as excessive. Such 32 analysis shall consider the following nonexclusive factors:
- 33 (1) whether the evidence presented or the arguments of

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- counsel resulted in one or more of the following events in the determination of a noneconomic damage award: (i) inflamed the passion or prejudice of the trier of fact; (ii) improper consideration of the wealth of the defendant; or (iii) improper consideration of the misconduct of the defendant so as to punish the defendant in circumvention of statutory or constitutional standards applicable to punitive damage awards;
  - (2) whether the verdict is in excess of verdicts involving comparable injuries to similarly situated plaintiffs; and
  - (3) whether there were any extraordinary circumstances in the record to account for an award in excess of what was granted by courts to similarly situated plaintiffs, with consideration to the injury type, severity of injury, and the plaintiff's age.
- (b) A trial court upholding a noneconomic damages award challenged as excessive shall set forth in writing its reasons for upholding the award.
- 20 (c) A reviewing court shall use a de novo standard of 21 review when considering an appeal of a noneconomic damages 22 award on the grounds of excessiveness.
- 23 Section 30. Applicability. This Act applies to causes of 24 action filed after its effective date.
- 25 Section 99. Effective date. This Act takes effect upon 26 becoming law.